

## End of Tranche 1

July 2001

The Egyptian Environmental Policy Program  
Executive Committee  
and  
USAID/Egypt

Implemented by **CHEMONICS INTERNATIONAL, INC.,  
CHEMONICS EGYPT, AND ENVIRONICS**

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This document looks at the achievement of the Tranche 1 means of verification only. Analytical work by MVE already underway is evaluating the policy reform successes, complete and incomplete, as well as the impact, of Tranche 1.

We believe that the process of verification has been useful in helping program implementers to realize their accomplishments and in helping them to plan future reform actions.

We look forward to working with you in Tranche 2 and beyond. Thank you.

Doug Baker  
Chief Of Party  
Monitoring, Verification, And Evaluation Unit

## ACRONYMS

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10R	10th of Ramadan Industrial City
10R-BT	10th of Ramadan Industrial City Board of Trustees
10R-EEC	10th of Ramadan Industrial City Environmental Executive Council
ATF	Agency Task Force
BP	Best Practices
BT	Board of Trustees
CAOA	Central Agency for Organization and Administration
CEO	Chief Executive Officer
EC	EEPP Executive Committee
EEAA	Egyptian Environmental Affairs Agency
EEPP	Egyptian Environmental Policy Program
EEC	Energy Efficiency Council
EIA	Environmental Impact Assessment
EMS	Environmental Management System
EMU	Environmental Management Unit
ENR	Environmental and Natural Resources
EPF	Environmental Protection Fund
EPIQ	Environmental Policy and Institutional Strengthening
GOE	Government of Egypt
IEMS	Integrated Environmental Management System
IQC	Indefinite Quantity Contract
IP3	Institute for Public-Private Partnerships
JCFPERSC	Joint Committee for Following up the Protection of the Environment of the Red Sea Coast
JICA	Japanese International Cooperation Agency
MFA	Ministry of Foreign Affairs
MHUNC	Ministry of Housing, Urbanization, and New Communities
MIC	Ministry of International Cooperation
MOEA	Ministry of State for Environmental Affairs
MOU	Memorandum of Understanding
MSW	Municipal Solid Waste
MV	Means of Verification
MVE	Monitoring, Verification, and Evaluation Unit
NCICZM	National Committee for Integrated Coastal Zone Management
NEAP	National Environmental Action Plan
NEES	National Energy Efficiency Strategy
NGOs	Non-Governmental Organizations
MSW	Municipal Solid Waste
NMSWMS	National Municipal Solid Waste Management Strategy
OEP	Organization for Energy Conservation and Planning
OSP	Organization Support Programme
PFTC	Planning, Follow-up and Technical Cooperation (EEAA)
PIU	Policy Implementation Unit (TDA)
PSU	Program Support Unit
RBO	Regional Branch Office (EEAA)
SRP	Southern Region Protectorates
SOW	Scope of Work
SWM	Solid Waste Management
TA	Technical Assistance
TAC	Technical Assistance Contractors
TDA	Tourism Development Authority
USAID	United States Agency for International Development
WB	World Bank
WG	Working Group

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## **Executive Summary**

Through the Egyptian Environmental Policy Program (EEPP), the Government of Egypt (GOE) is undertaking reforms in its environmental policy. USAID is supporting these reforms with technical assistance and monetary disbursements. The reform program is separated into tranches covering periods of from 15 to 21 months. Participating partners in Tranche 1 of EEPP include the Egyptian Environmental Affairs Agency (EEAA), the Organization for Energy Conservation and Planning (OEP), and the Tourism Development Authority (TDA). The Monitoring, Verification and Evaluation Unit (MVE) is responsible for reporting to USAID on the progress in each tranche of the program.

The Memorandum of Understanding contained a total of fifteen policy reform objectives for Tranche 1 of EEPP. Nine of these objectives have one or more associated policy measure as well as corresponding means of verification, or outputs, that are used to document if a policy measure has been achieved. During Tranche 1, a total of fourteen policy measures were verified by documenting the means of verification, which represent actions taken toward the reforms. Activities under objectives that do not have associated policy measures are called “non-policy measures”; they are not evaluated in the Verification for Disbursement reports completed by the MVE but are assessed in other analytical documents.

In the original Memorandum of Understanding (MOU), a legal agreement between the GOE and USAID, the means of verification were classified as illustrative. Therefore, MVE met with all the program partners to refine the means of verification required for Tranche 1. USAID and the GOE mutually agreed that the means of verification are the verifiable, legal benchmarks tied to the disbursement of funds for EEPP. Each partner is required to submit documentation to MVE supporting the successful achievement of the refined Tranche 1 means of verification.

This is the second report documenting progress toward reform for Tranche 1. The Interim Period Verification, which occurred in June 2000, reported on EEPP progress towards the completion of the means of verification through May 2000. MVE reviewed the documentation and reported on the status of each means of verification as “achieved” or “in progress” depending upon whether the documentation supported the action toward reform. The Interim Period Verification report found that tangible success toward reform had been made through May 2000.

This report documents all the progress of EEPP partners during Tranche 1; means of verification documented herein represent all documentation submitted to MVE through April 2001 with subsequent additional clarifications. Where the documentation submitted to MVE contained all of the information specified and the documented action fulfills the intent of the agreed means of verification, the means were verified as “achieved” within this report. In a number of cases, this report indicates a means of verification as achieved although MVE had minor comments regarding the verification documentation, the information it contained, or the actions it documented.

Exhibit ES-1 below illustrates how responsibility for all Tranche 1 policy objectives, policy reform measures and means of verification is distributed by agency:

**Exhibit ES-1. Distribution Of Tranche 1 Responsibility By Partner**

<b>EEPP Partners</b>	<b>EEAA</b>	<b>OEP</b>	<b>TDA</b>	<b>EEPP Total for Tranche 1</b>
<b>Objectives</b>	6	1	2	9
<b>Policy Reform Measures</b>	8	1	5	14
<b>Means of Verification</b>	23	1	16	40

EEPP partners made progress (i.e. had verified achievements) on all objectives (9 of 9) and on 13 of 14 policy measures. A total of 33 of 40 means of verification have been achieved while another 6 have been partially achieved. Exhibit ES-2 highlights the percentage of means of verification achieved by each partner.

**Exhibit ES-2. Percentage of Means of Verification “Achieved”**

<b>EEPP Partners</b>	<b>EEAA</b>	<b>OEP</b>	<b>TDA</b>	<b>EEPP Total for Tranche 1</b>
<b>Policy Reform Measures with One or More Means of Verification Achieved</b>	7 of 8 (88%)	1 of 1 (100%)	5 of 5 (100%)	13 of 14 (94%)
<b>Means of Verification Achieved</b>	20 of 23 (87%)	1 of 1 (100%)	12 of 16 (75%)	33 of 40 (83%)
<b>Means of Verification Partially Achieved</b>	2 of 23 (9%)		4 of 16 (25%)	6 of 40 (15%)

The very high percentage of Tranche 1 policy measures achieved demonstrates significant success of the program in meeting agreed upon milestones set forth in the Memorandum of Understanding.

This Verification for Disbursement (VfD) report at the end of Tranche 1 documents all activities and reforms of the EEPP partners during the entire Tranche. It includes, and expands upon, the documentation submitted during the Interim Period. According to EEPP procedures, the report is submitted to the EEPP Executive Committee (EC) for review and approval. After EC approval of MVE findings, the EC will endorse and submit the report to USAID for its review and concurrence. The relevant remaining Tranche 1 funds will then be approved for disbursement to the GOE and made available to the EEPP partners according to internal GOE budgeting processes.

Drafts of this document were submitted in April and May 2001 to program participants for their review. Final comments and clarifications were received in July 2001. These were immediately incorporated in this final version submitted formally to the Executive Committee.



## SECTION I

### Introduction

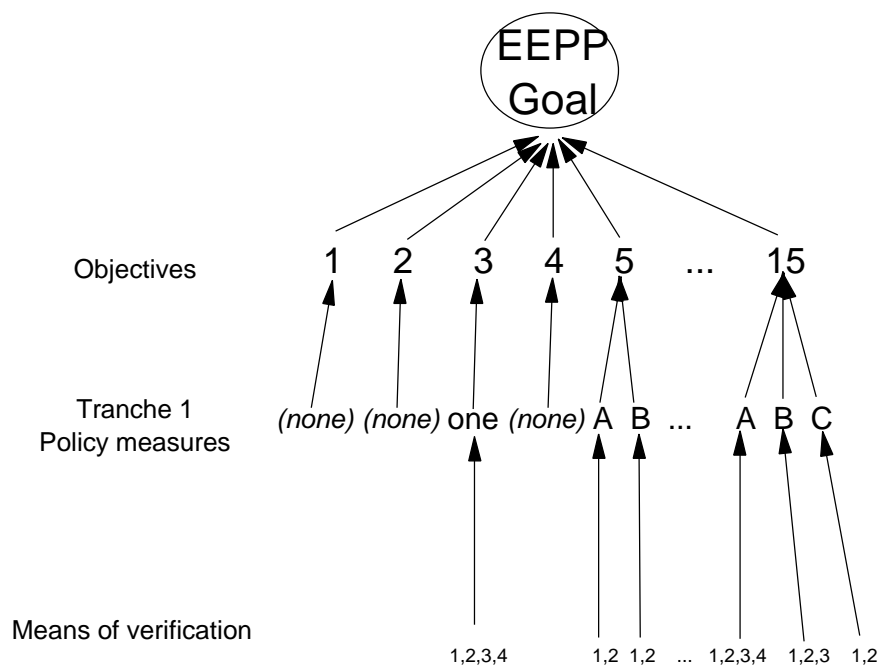
#### A. Brief Description of EEPP and MVE Component

According to the MOU signed on 25 May 1999, through the EEPP the GOE is undertaking reforms to its environmental policy framework and in the institutions responsible for environmental management. The US Government, through USAID, supports these reforms with technical assistance and monetary disbursements. Because the monetary disbursements for each tranche are directly tied to policy reform implementation, the Monitoring, Verification, and Evaluation (MVE) Unit verifies and reports on GOE progress toward meeting program objectives. Based on these verifications, USAID approves the disbursement of funds to the GOE.

The reform program is organized into tranches covering periods of 15 to 21 months. Each tranche is comprised of a series of objectives embracing a range of environmental issues. Of the 15 objectives in the MOU, nine have one or more specific policy reforms associated with them in Tranche 1. These policy measures are considered “achieved” when negotiated means of verification, or outputs, representing actions on the part of the GOE partners are documented. The means of verification are discrete products, usually in the form of laws, decrees, reports, work plans, budgets, or other tangible outputs.

#### Exhibit A-1. EEPP Framework

##### Relationship of goal, objectives, measures, and means





## **B. Verification**

MVE is mandated to act as an impartial evaluator of means of verification and verification-related activity schedules. When the MVE unit began full operations in February 2000, the staff reviewed the EEPP and its documentation in order to recommend means of verification, which could be used as the legal milestones to demonstrate progress toward reform within EEPP partners. The means of verification were designed to be logical, realistic, and within the manageable interests and control of the responsible partner, or agency. The means of verification looked specifically at reforms targeted in the current tranche, not results intended to be accomplished in later tranches.

The MVE team met regularly with USAID, the GOE, and the technical assistance (TA) contractors, from February to May 2000, to refine the means of verification. The original MOU between the GOE and USAID, dated 25 May 1999, did not specify the final means of verification. The means included in the MOU were illustrative, with the expressed expectation that MVE would work with the EEPP parties to refine them once the program was underway. Annex A of the Interim Period report includes the negotiated means of verification and letters from the EEPP partners and USAID mutually agreeing to those milestones for Tranche 1. In contrast, Tranche 2 and 3 objectives, policy measures, and means of verification are to be negotiated between all partners prior to or at the beginning of the tranche.

Tranche 1 activities and the negotiated means of verification emphasized institutional strengthening of the EEPP partners. In June 2000, the GOE and USAID agreed to conduct a partial disbursement of Tranche 1 funds, which would be used to facilitate front-end reforms and lay the foundation for Tranche 2 and 3 reforms. Interim verification and disbursement of funds would allow the agencies to hire staff, purchase equipment, and take other actions necessary for institutional strengthening. Based on documentation submitted by the EEPP partners, MVE verified the reforms and activities undertaken in through May 2000 of Tranche 1 and the verification for disbursement report for the Interim Period of Tranche 1 was submitted in June 2000 to the Executive Committee.

This Verification for Disbursement (VfD) report at the end of Tranche 1 documents all activities and reforms of the EEPP partners during the entire Tranche. It includes, and expands upon, the documentation submitted during the Interim Period. According to EEPP procedures, the report is submitted to the EEPP Executive Committee (EC) for review and approval. After EC approval of MVE findings, the EC will endorse and submit the report to USAID for its review and concurrence. The relevant remaining Tranche 1 funds will then be approved for disbursement to the GOE and made available to the EEPP partners according to internal GOE budgeting processes.

Drafts of this document were submitted in April and May 2001 to program participants for their review. Final comments and clarifications were received in July 2001. These were immediately incorporated in this final version submitted formally to the Executive Committee.

## SECTION II

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### Tranche 1 Implementation Achievement

#### A. Introduction

In its first year of implementation, EEPP already has achieved significant successes, summarized in Exhibits II-1 and II-2. Detailed information on each objective is illustrated in Exhibit II-3 and the objective-by-objective analysis in section A3.

According to reporting requirements for the MVE Unit, this VfD report documents the verified means of verification from the EEPP partners. It does not attempt to evaluate the results of the Tranche 1 activities, policy measures (PMs), or objectives. An interim qualitative assessment of progress was presented in the MVE Implementation Progress Report through December 2000. A final Progress Report on all Tranche 1 activities, including a qualitative evaluation and a comprehensive summary of Tranche 1 PM and objective achievements will be submitted by MVE following this VfD report.

#### B. Achievements in Tranche Implementation

Exhibit II-1 illustrates the distribution of responsibility for all Tranche 1 policy objectives, policy reform measures, and means of verification by agency. Tranche 1 objectives without policy reforms, called non-policy measures, are not included.

##### Exhibit II-1. Distribution Of Tranche 1 Responsibility By Partner

EEPP Partners	EEAA	OEP	TDA	EEPP Total for Tranche 1
Objectives	6	1	2	9
Policy Reform Measures	8	1	5	14
Means of Verification	23	1	16	40

EEPP partners made progress (i.e. had verified achievements) on all objectives (9 of 9) and on 13 of 14 policy measures. A total of 33 of 40 means of verification have been achieved while another 6 have been partially achieved. Exhibit II-2 illustrates the number and percentage of policy reforms with means of verification documented as achieved in Tranche 1 by each EEPP partner and as a program total.

##### Exhibit II-2. Percentage of Means of Verification “Achieved”

EEPP Partners	EEAA	OEP	TDA	EEPP Total for Tranche 1
Policy Reform Measures with Means of Verification Achieved	7 of 8 (88%)	1 of 1 (100%)	5 of 5 (100%)	13 of 14 (94%)
Means of Verification Achieved	20 of 23 (87%)	1 of 1 (100%)	12 of 16 (75%)	33 of 40 (83%)
Means of Verification Partially Achieved	2 of 23 (9%)		4 of 16 (25%)	6 of 40 (15%)

**Exhibit II-3. Status of Tranche 1 Means of Verification**

<i>Objective</i>	<i>Focus of Objective</i>	<i>Responsible Agency</i>	<i>Policy Reform Measure</i>	<i>Means of verification</i>	<i>Submitted Not submitted</i>	<i>Achieved/ Not Achieved</i>
<b>1</b>	Build capacity of EEAA to provide long term strategic planning and environmental policy formulation and analysis	EEAA	<b>1</b>			
<b>2</b>	Integrate the environmental dimension in national planning and development programs.	EEAA	<b>2</b>			
<b>3</b>	Decentralize core environmental management functions to regional, governorates, and local levels.	EEAA	<b>3</b>	1	<b>Submitted</b>	<b>Achieved</b>
				2	<b>Submitted</b>	<b>Achieved</b>
				3	<b>Submitted</b>	<b>Achieved</b>
				4	<b>Submitted</b>	<b>Achieved</b>
<b>4</b>	Establish system for periodic review and modification of air emission standards.	EEAA	<b>4</b>			
<b>5</b>	Establish and activate a mechanism through which Environmental Protection Fund (EPF) resources are broadly used to support a range of environmental policies and activities.	EEAA	<b>5A</b>	1	<b>Submitted</b>	<b>Achieved</b>
				2	<b>Submitted</b>	<b>Achieved</b>
			<b>5B</b>	1	<b>Submitted</b>	<b>Achieved</b>
				2	<b>Submitted</b>	<b>Achieved</b>
<b>6</b>	Promote policies that increase the availability and ability to afford equipment, spare parts and inputs for environmental control, and monitoring and pollution prevention.	EEAA	<b>6</b>			
<b>7</b>	Reduced air pollution and emissions of greenhouse gases due to inefficient use of fossil fuels.	OEP	<b>7</b>		<b>Submitted</b>	<b>Achieved</b>
<b>8</b>	MOEA/EEAA and concerned GOE entities develop improved systems and capacity for monitoring, inspection, and testing to ensure compliance with industrial pollution policies.	EEAA	<b>8</b>			

<i>Objective</i>	<i>Focus of Objective</i>	<i>Responsible Agency</i>	<i>Policy Reform Measure</i>	<i>Means of verification</i>	<i>Submitted Not submitted</i>	<i>Achieved/ Not Achieved</i>
<b>9</b>	MOEA/EEAA, in cooperation with industrial stakeholders and relevant GOE entities, develops pollution reduction strategies through higher rate of compliance.	EEAA	<b>9</b>	1	<b>Submitted</b>	<b>Achieved</b>
				2	<b>Submitted</b>	<b>Partially Achieved</b>
				3	<b>Submitted</b>	<b>Achieved</b>
				4	<b>Submitted</b>	<b>Partially Achieved</b>
<b>10</b>	Strengthen the capacity of public and private sector to provide consistent and reliable environmental assessment services which will support industrial compliance with environmental policies and regulations.	EEAA	<b>10</b>			
<b>11</b>	Improve efficiency and performance of the solid waste management systems through a combination of strategic planning, improved administration, greater public awareness, and more active participation of the private sector.	EEAA	<b>11</b>	1	<b>Submitted</b>	<b>Achieved</b>
				2	<b>Submitted</b>	<b>Achieved</b>
				3	<b>Submitted</b>	<b>Achieved</b>
				4	<b>Submitted</b>	<b>Achieved</b>
<b>12</b>	Provide protection for the Egyptian Red Sea coral reefs, islands, and linked ecosystems of importance.	EEAA	<b>12A</b>	1	<b>Not submitted</b>	<b>Not Achieved</b>
			<b>12B</b>	1	<b>Submitted</b>	<b>Achieved</b>
				2	<b>Submitted</b>	<b>Achieved</b>
				3	<b>Submitted</b>	<b>Achieved</b>
<b>13</b>	EEAA encourages environmentally sustainable development of the Red Sea coast through an improved EIA process.	EEAA	<b>13</b>	1	<b>Submitted</b>	<b>Achieved</b>
				2	<b>Submitted</b>	<b>Achieved</b>
				3	<b>Submitted</b>	<b>Achieved</b>
<b>14</b>	Environmental policy monitoring capacity within the TDA is strengthened	TDA	<b>14A</b>	1	<b>Submitted</b>	<b>Achieved</b>
				2	<b>Submitted</b>	<b>Achieved</b>
				3	<b>Submitted</b>	<b>Partially Achieved</b>
				4	<b>Submitted</b>	<b>Partially Achieved</b>
			<b>14B</b>	1	<b>Submitted</b>	<b>Achieved</b>
				2	<b>Submitted</b>	<b>Achieved</b>
				3	<b>Submitted</b>	<b>Partially Achieved</b>

<i>Objective</i>	<i>Focus of Objective</i>	<i>Responsible Agency</i>	<i>Policy Reform Measure</i>	<i>Means of verification</i>	<i>Submitted Not submitted</i>	<i>Achieved/ Not Achieved</i>
<b>15</b>	TDA strengthens its capacity to develop and disseminate Best Practices and other environmental programs intended for investors and developers through education and awareness programs	TDA	<b>15A</b>	1	<b>Submitted</b>	<b>Achieved</b>
				2	<b>Submitted</b>	<b>Achieved</b>
				3	<b>Submitted</b>	<b>Achieved</b>
				4	<b>Submitted</b>	<b>Achieved</b>
			<b>15B</b>	1	<b>Submitted</b>	<b>Achieved</b>
				2	<b>Submitted</b>	<b>Achieved</b>
				3	<b>Submitted</b>	<b>Achieved</b>
			<b>15C</b>	1	<b>Submitted</b>	<b>Achieved</b>
				2	<b>Submitted</b>	<b>Partially Achieved</b>

Note 1: Shaded objectives had no policy reform measures with means of verification for Tranche 1.

Note 2: Means of verification documented as “partially achieved” submitted documentation that activities were undertaken toward achieving the negotiated policy reform in Tranche 1.

### C. Implementation of Objectives with Tranche 1 Policy Measures

The following analysis covers the detailed activities and verified means of verification for each objective with associated policy measures for Tranche 1. It does not include the non-policy measures of objectives 1, 2, 4, 6, 8, and 10, as well as 7B and 12C. This analysis is based on documentation officially submitted by each partner related to a specific means of verification. The documents were analyzed to determine if they comply with the negotiated terms for verification of Tranche 1 achievements. First, the documentation is reviewed according to the extent they are consistent with the means of verification language negotiated, and second, whether they show tangible policy reform implementation. Cases in which the documentation itself did not contain the information required are noted.

The following matrices list objectives, corresponding policy measures, and means of verification. The status of each measure is also analyzed. Exhibit II-4 indicates how information is presented in each matrix:

#### Exhibit II-4. Contents of Objective Matrices

<b>Analysis Level</b>	<b>Description of Contents</b>
<b>Objective</b>	<p><b>Objective:</b> The text of the objective as agreed in the MOU for Tranche 1.</p> <p><b>Description:</b> MVE analysis of the purpose of the objective.</p> <p><b>Analysis:</b> MVE general assessment of the implementation of the objective in Tranche 1.</p>
<b>Policy Measure</b>	<p><b>Policy measure:</b> The text of the policy measures as agreed in the MOU for Tranche 1.</p> <p><b>Description:</b> MVE analysis of the purpose of the policy measure (included here only where there is more than one policy measure for the objective).</p> <p><b>Analysis:</b> MVE general assessment of the implementation of the policy measure in Tranche 1.</p>
<b>Means of Verification</b>	<p><b>Means of verification:</b> The text of the means of verification as agreed by each participating GOE agency and USAID with technical input from MVE.</p> <p><b>Description:</b> MVE analysis of the purpose of the means of verification.</p> <p><b>Status:</b> Documentation <u>Submitted</u> or <u>Not Submitted</u> by the responsible GOE agency.</p> <p><b>Analysis:</b> MVE assessment of the degree of achievement of the means of verification and of the adequacy of the documentation.</p> <p><b>Achieved/Not Achieved:</b> MVE assessment of whether the means of verification can be considered as meeting its purpose of demonstrating the achievement of the policy measure.</p>

**C1. Objective 3**

	<b>Description</b>	<b>Status</b>	<b>Analysis</b>	<b>Achieved / Not Achieved</b>
<b><i>Objective 3</i></b> <i>Decentralize core environmental management functions to regional, governorates, and local levels.</i>  <i>Lead Agency: EEAA</i>	The purpose of this objective is to implement an effective, decentralized environmental management system at the regional and local levels. By establishing and equipping these entities with highly qualified staff at the regional and local levels, EEAA will be able to better interact with the array of institutions that require assistance and support on complex environmental issues.			

	Description	Status	Analysis	Achieved / Not Achieved
<p><b>Policy Measure 3</b></p> <p><i>MOEA/EEAA develops and issues decree approving policies and operational procedures for Regional Branch Offices.</i></p>	<p>To accomplish decentralization at the regional level, roles and responsibilities and other operational policies among EEAA departments of the central level, its branches at the regional level, and the EMU at the local level need to be clarified and delineated. In addition, Regional Branch Offices (RBOs) need to be staffed, equipped, and strengthened through appropriate regional and local level staff training.</p>		<p>Most of the needed actions have begun, with preliminary outputs defined, and dissemination and building capacity for their implementation underway.</p>	
<p><b><u>Means of verification 3-1</u></b></p> <p><b>An executive directive by EEAA-CEO:</b></p> <ol style="list-style-type: none"> <li><b>1. Detailing RBO main objectives, functions and major tasks and responsibilities;</b></li> <li><b>2. Describing RBO organizational structure and job description of staff members.</b></li> </ol>	<p>In 1995 a ministerial decree (no. 187) was issued establishing eight branches for EEAA and generally describing their mandates. Experiences gained from the enforcement of environmental legislation and from fulfillment of its mandate and other functions led EEAA to review the role of its branches. A study to propose needed changes was prepared and EEAA BOD (Board of Directors) approved its findings.</p> <p>The size of the proposed changes in the mandates of the RBO required the issuance of a new ministerial decree. This decree substituted the agreed to means of verification, namely a EEAA CEO (Chief Executive Officer) executive directive.</p>	<p>Submitted June 2000</p>	<p>The submitted signed ministerial decree no. 56/2000, by the MOEA and the additional documents (RBOs organizational structure and the job descriptions of staff members) meet the verification requirements. The decree identifies the main objectives of the RBOs, their functions and major responsibilities. Furthermore it enacts their organizational structure and job description of staff members.</p>	<p>Achieved in Interim Period</p>



	Description	Status	Analysis	Achieved / Not Achieved
<p><b><u>Means of verification 3-2</u></b>  <b>An executive directive approving RBO policies with detailed policies attached</b></p> <p><b><u>Means of verification 3-3</u></b>  <b>An executive directive by EEAA-CEO approving operational procedures and manuals for RBO major functions (EIA, inspection, monitoring) with procedures and manuals attached.</b></p>	<p>MV 3-2 and 3-3 are designed to document the issuance and adoption of RBOs policies and operational procedures and manuals for its major functions by the EEAA senior management. This is an essential and fundamental step to establish a coherent policy framework for the RBOs. It also establishes the basis for a clear division of labor among the central departments of EEAA and its RBOs.</p> <p>On 14 March 2001 the EEAA CEO issued executive directive no. 17/2001 enacting the RBO policies. The operational procedures and manuals for its major functions accompanied the directive.</p>	Submitted March 2001	<p>The copy of the submitted EEAA/CEO executive directive no. 17/2001 and its attachments (the first including the RBOs policies and the second continuing the operational procedures and manuals for RBOs major operations) meets the verification requirements.</p> <p>The directive adopts the policies, procedures and manuals for the work of the RBOs and identifies the mechanisms for their continuous monitoring and updating.</p> <p>Attachment 1 to the directive delineates eight policies for RBOs (execution of MOEA/EEAA policies and plans, enforcement of law 4/94, cooperation with other stakeholders, participation with and enabling all partners, cooperation with protectorates management, undertaking delegated assignments from the CEO, integrating environmental issues in regional programs and GEAPs)</p> <p>Attachment 2 contains operational procedures and simple generic manuals for 19 selected major functions of RBOs in two groups in accordance with their priorities and the level of the RBOs capabilities. Accordingly, the first group to be addressed in the establishment phase of the RBOs includes the following manuals (environmental monitoring, environmental inspection and legal pursuit of violators, training, environmental info. and awareness, public complaints, internal reporting, internal performance evaluation, cooperation with EMUs, branch work plans, management of pilot projects and EIA review). The second group encompasses functions to be addressed beyond the establishment phase, these are (advanced EIA review, regional state of the environment reports, provision of TA on the local level, preparation of regional contingency plans, HSW management, cooperation with natural protectorates management, support to national monitoring network and CZM).</p>	Achieved

	Description	Status	Analysis	Achieved / Not Achieved
<b><u>Means of verification 3-4</u></b> <b>Administrative and financial plan for establishing and operationalizing the rest of RBOs approved by EEAA-CEO.</b>	<p>Since 1995 the EEAA has undertaken the following actions to establish and operate its eight branches:</p> <ul style="list-style-type: none"> <li>• Construct five branches and initiate the construction of the remaining RBOs with allocated resources in the National Five-year Investment plan 1997/98 – 2001/2002.</li> <li>• With the assistance of JICA build a regional Mini-lab Network and train lab technicians.</li> <li>• Obtain the approval of the CAO (Central Agency for Organization and Administration) on introducing new lab technician positions needed to operate the regional Mini-lab in EEAA staffing structure.</li> <li>• Staff and equip five RBOs and prepare plans for staffing and equipping the rest of RBOs upon finishing the construction work.</li> </ul>	Submitted June 2000	<p>The submitted administrative and financial plan for establishing, and operationalizing the rest of the RBOs (three in number) meet the verification requirements. The plan is a part of a comprehensive project being implemented by EEAA since 1997. The project is funded jointly by JICA and GOE. A status report as of June 2000 on the implementation of the project and its administrative and financial plan clearly shows an increase in the expenditures and staffing of the RBOs, over the period from 1997 to 2000. Resources from GOE and from other donors for constructing the rest of the RBOs are allocated and their disbursement was started by EEAA in the fiscal year 1999/2000. Resources have been also allocated to expanding the existing RBOs. A time schedule for establishing (constructing, equipping, and staffing) RBOs was included in the submitted plan as was the organizational structure of RBOs as approved by CAO. Staffing of the functioning RBO is being provided, another 100 staff will start work in July 2000. Staffing for the rest of the RBOs is planned for the coming years.</p>	Achieved in Interim Period

**C2. Objective 5**

	Description	Status	Analysis	Achieved / Not Achieved
<b>Objective 5</b> <i>Establish and activate a mechanism through which Environmental Protection Fund (EPF) resources are broadly used to support a range of environmental policies and activities.</i>  <i>Lead Agency: EEAA</i>			Progress on building the institutional base for EPF operations has developed significantly over the past year, and the formalization of the outputs achieved has been secured through the recent decrees by MOEA.	
<b>Policy Reform Measure 5A</b> <i>Appointment of the full Environmental Protection Fund (EPF) Management Committee.</i>	<p>The composition of the EPF Management Committee, as in the EPF financial regulation of 1998, strengthens the participatory approach in managing the EPF, as it requires the appointment of a number of members from outside EEAA. It is expected that the activation of the EPF committee to be in charge of all EPF issues will help in gradually reshaping the role of the fund from being a mechanism for additional funding for EEAA to becoming a focal point for environmental financing in Egypt demonstrating Best Practices that support and test existing policies</p>		To appoint the EPF committee the MOEA must issue a ministerial decree enacting the EPF regulations approved by the Ministry of Finance and EEAA/BOD.	

	Description	Status	Analysis	Achieved / Not Achieved
<b><u>Means of verification 5A-1</u></b> <b>A signed ministerial decree by MOEA enacting the financial regulations of the EPF approved by the Ministry of Finance and appointing its management committee.</b>	Ministerial decrees No. 31/2000, and No. 32/2000.	Submitted April 2000	The two submitted ministerial decrees (the first, No. 31/2000, enacting the financial regulations for the EPF, and the second, No. 32/2000, appointing the EPF Management Committee) fully meet the verification requirements. According to the decrees, the EPE Management Committee is chaired by the EEAA CEO and consists of three members from EEAA senior management (civil servants), the EPF manager, and four members from outside EEAA.	Achieved in Interim Period
<b><u>Means of verification 5A-2</u></b> <b>Minutes of the first meeting of EPF management committee.</b>	The first meeting of the EPF was held on 31 May 2000. The meeting was followed by a press conference where the objectives and targets of the pilot phase of EPF operations were made public.	Submitted June 2000	<p>The minutes of the meeting submitted for verification meet the verification requirements. The submitted minutes of the first meeting of the EPF management committee held on 31 May at EEAA indicates that eight members (out a total of nine) attended. The EEAA/CEO chaired the meeting.</p> <p>Major issues addressed in the meeting were:</p> <ol style="list-style-type: none"> <li>1. EPF Strategy and operation manual.</li> <li>2. EPF work plan for the first year.</li> <li>3. Initiation of a pilot phase for EPF activities.</li> </ol> <p>The decisions of the meeting were taken in accordance with the EPF regulations approved by the Finance Ministry.</p>	Achieved in Interim Period

	Description	Status	Analysis	Achieved / Not Achieved
<b><i>Policy Reform Measure 5 B</i></b>  <i>Development and adoption by the committee of the operations manual which includes fund policies, administration and personnel procedures, financial management, and project cycle management procedures.</i>	Due to the limitation of EPF resources, its activities and work must be planned within a well-defined policy framework, with clear priorities and transparent procedures for allocation and disbursement. The development of an operational manual will contribute to the achievement of this.		The EPF operation manual was developed by EEAA with support from EEPP PSU and OSP/Danida and was presented to the first meeting of the EPF management committee where it was adopted. The quality of the manual is good and it secures transparency and partnership. If the manual finds its way to full implementation the larger policy objective will be achieved.	
<b><u>Means of verification 5B-1</u></b> <b>A copy of the final draft operation manual (ready to be submitted to EPF management committee for approval).</b>		Submitted May 2000	The draft submitted was prepared by EEAA with support from the PSU/EEPP and OSP/Danida. The quality of the manual is good and the mechanism used for its preparation enabled benefiting from the experience of other countries while keeping the manual in line with general Egyptian governmental rules and regulation. Also, and most importantly, the submitted draft manual identified the priorities for EPF work and adopted the concepts of transparency and partnership with major stakeholders. The submitted final draft operation manual meets the verification needs.	Achieved in Interim Period
<b><u>Means of verification 5B-2</u></b> <b>Minutes of EPF-MC meeting where operations manual was approved.</b>	The approval of the operations manual will secure a smooth, systematic and well-organized implementation of EPF operations especially in its pilot phase where gaining the trust of the target groups is an essential issue.	Submitted June 2000	The submitted minutes of the EPF-MC meeting on the 31 <sup>st</sup> of May 2000 meets the verification requirements. The minutes document the approval of the fund operations manual by the committee members.	Achieved in Interim Period

**C3. Objective 7**

	Description	Status	Analysis	Achieved / Not Achieved
<b>Objective 7</b> <i>Reduced air pollution and emissions of greenhouse gases due to inefficient use of fossil fuels.</i> <i>Lead Agency: OEP</i>				
<b>Policy Reform Measure 7</b> OEP establishes protocol with participating public and private entities for developing National Energy Efficiency Strategy (NEES).	Development of NEES has been considered the key intervention needed to achieve the designated objective. OEP has been assigned the pivotal role in leading the participatory mechanism of NEES development.	The final draft of the NEES Framework was prepared March 2001.		
<u><b>Means of verification 7-1</b></u> <b>A copy of the protocol establishing the participatory mechanism for developing the NEES.</b>		Submitted April 2000	The submitted copy of the protocol signed by representatives of the participating agencies meets the verification requirements. Additional submitted documents included the executive regulations of joint actions and meetings of parties involved in the protocol. The protocol was signed on October 1, 1998 by nine parties and further joined later by three other parties. Based on the protocol the EEC (Energy Efficiency Council) was established in February 1999 to incorporate the joint effort of EEC partners in developing NEES. The EEC has been established as a cooperative initiative based on the mutual consensus of signing parties, not as a decision of a higher authority.	Achieved in Interim Period

**C4. Objective 9**

	<b>Description</b>	<b>Status</b>	<b>Analysis</b>	<b>Achieved / Not Achieved</b>
<b><i>Objective 9</i></b> <i>MOEA/EEAA, in cooperation with industrial stakeholders and relevant GOE entities, develops pollution reduction strategies through higher rate of compliance.</i>  <i>Lead Agency: EEAA</i>	The objective intends to foster the development and use of pollution reduction strategies that will encourage and facilitate industrial self-compliance. These strategies will be developed through a partnership approach between MOEA/EEAA, the private sector and other GOE partners.			

	Description	Status	Analysis	Achieved / Not Achieved
<i><b>Policy Reform Measure 9</b> EEAA, in association with Investors Group and relevant stakeholders, designs and initiates implementation of the integrated EMS for the Tenth of Ramadan industrial city.</i>	This measure requires that EEAA, in cooperation with an investors group and relevant stakeholders, initiate implementation of a pilot EMS in the 10R industrial city.		With active support from EEAA and the PSU, 10R BT has taken steps to establish the institutional setup needed to implement the pilot IEMS, yet the actual implementation has not started and further steps need to be taken to accelerate the process.	
<b>Means of verification 9-1</b> <b>Copy of the signed MOU</b> <b>establishing the institutional</b> <b>commitments necessary to</b> <b>implement the pilot EMS</b> <b>(Environmental Management</b> <b>System)</b>	The MV is designed to document the commitment of MOEA/EEAA, 10R industrial stakeholders and other relevant GOE entities to implement the Pilot EMS.	Submitted May 2000	The submitted signed MOU meets verification requirements. It provides a clear description of roles and responsibilities of all involved parties.  The starting point for establishing the institutional framework for implementing EMS has been accomplished through signing the MOU between relevant parties on August 18, 1998.	Achieved in Interim Period



	Description	Status	Analysis	Achieved / Not Achieved
<p><b><u>Means of verification 9-2</u></b>  <b>Protocol documenting establishment of 10R Environmental Executive Council (10R-EEC) and its environmental fund and permanent technical office within 10R Board of Trustees (BT) signed by EEAA, 10R-BT, Society of Investors and other participating entities.</b></p>	<p>The MV is designed to document the establishment of a sustainable institutional setup to manage the IEMS in 10R with funding mechanisms and systems guaranteeing implementation.</p>	<p>Submitted March and April 2001 with clarifications July 2001</p>	<p>The signed letter of EEAA/CEO and its seven (7) attachments submitted for verification show an arrangement different from the signed <u>protocol</u> by participating entities originally agreed to. The documents indicate that following a series of meeting, attended at one time by H.E., the Minister of State for Environmental Affairs, the CEO of EEAA, and representatives of 10R BT, Executive Committee, and the Investors Association, institutional arrangements were formalized via an exchange of formal letters among relevant stakeholders, as apparently this was found to be more practical, less bureaucratic and time consuming than the procedures associated with protocol preparation. While recognizing this difference, the analysis will focus on whether the steps taken lead to or will lead to the implementation of the IEMS from an institutional point of view securing the active participation of participating entities in addition of their agreement.</p> <p>The analysis of the verification documents revealed the following:</p> <p>*Some of the attachments for this MV (as well as for the other MVs 9-3 and 9-4) contain information that complements other documents presented for one or both of the other MVs. In such cases this analysis included this information.</p> <p>*Based on a proposal by the 10R BT the MOEA and EEAA approved assigning the Environment Committee attached to the BT responsibility for implementing the IEMS. The committee's membership was increased to include a representative of EEAA in addition to its original members (2 from BT, 2 from 10R Investors' Society and 10R Development Agency). The MOEA nominated its representative and the committee met on 22 February 2001 in its new form.</p> <p>*A letter indicates that the required MHUNC Minister decree establishing the 10R environment fund is presently being prepared (Minister's approval on 2 April 2001) and the administrative and financial regulations for the fund have been finalized. The 10R BT and its Environmental Committee allocated LE100,000 for the establishment of the technical secretariat and MOEA/EEAA allocated the amount of LE500,000 for the implementation of the IEMS program to be disbursed once the environmental fund is operational.</p> <p>*The 10R BT and its environmental committee established a technical secretariat with participation from 10R BT, 10R Development Agency, Investors society, and EEAA. The technical secretariat (in some documents referred to as the technical office) is to support implementation of the IEMS for the city. The technical secretariat has been recently initiated (February 2001) with staff representing only two of the four stakeholders (BT and EEAA). The other two entities are expected to join soon.</p> <p>As the institutional arrangements for implementing the IEMS, even in their altered form, are not yet complete, and as the environmental fund in some form, though still expected, has not been established, this means of verification is considered partially achieved.</p>	<p>Partially Achieved</p>

	Description	Status	Analysis	Achieved / Not Achieved
<b><u>Means of verification 9-3</u></b> <b>Document indicating official approval by 10R-EEC of 10R EMS technical implementation plan.</b>	The MV targets the documentation of activities for implementation of IEMS for the 10R city.	Submitted March 2001 with clarifications July 2001	<p>The submitted EEAA/CEO letter with attachments meets the verification needs. Attached are signed minutes of the 10R Environmental Committee meeting on 22 February 2001, framework of the IEMS program, and the 10R EMS technical plan. These clearly document the development and the approval of a plan to start the IEMS implementation.</p> <p>It is expected that the recently established technical secretariat (February 2001) will assume ownership of the implementation plan and lead the activity. The minutes of meeting and framework of the IEMS include detailed information on institutional issues of 10R-IEMS program. Accordingly, this will serve the verification analysis of MV 9-4 as well.</p> <p>The documents also show that the technical plan was mainly produced with support from EEPP/PSU and EEAA with involvement of the 10R environmental committee which did approve it. This raises some concerns regarding the sustainability of the activity.</p>	Achieved

	Description	Status	Analysis	Achieved / Not Achieved
<p><b><u>Means of verification 9-4</u></b>  <b>An official report documenting organizational arrangements of the 10R-EEC Technical Office to carry out its role in implementing EMS. Annexes attached to include: (1) Staffing; (2) Equipment; (3) Expenditure plan (within an annual budget).</b></p>	<p>This MV documents the achievement of fundamental steps to establish and activate the 10R-environmental committee.</p>	<p>Submitted March and April 2001</p>	<p>Submitted were a EEAA CEO letter with attached report on the present status of the 10R environmental committee technical secretariat signed by the committee chairman and with annexes addressing staffing, equipment, and an expenditure plan. In addition, information contained in the other documents verifying MV 9-2 and 9-3 was used. The analysis shows the following:</p> <p>*Based on a decision by the 10R BT the 10R Environmental Committee established the IEMS technical secretariat and renamed it the technical office in its meeting on 22 Feb. 2001.</p> <p>*Organizational arrangements for the technical office, the environmental committee and the environmental fund were prepared with EEAA/EEPP support and approved by the environmental committee in its meeting on 22 Feb. 2001.</p> <p>Accordingly the composition and mandates of the technical office and its organizational relations with other parties involved in the IEMS were made clear. The submitted document meets the verification needs for this area.</p> <p>Other observations on Annexes include:</p> <p>(1) Staffing: The pace of implementation of the IEMS program is affected by the staffing of the technical office which started operation with 2 staff members representing their institutions (MOEA/EEAA and 10R BT); the other 2 staff representing 10R Development Agency and the Investors Society are still to be nominated. The technical office could benefit from augmentation of its qualified staff to assume responsibility for the IEMS program and phase out the role of EEPP.</p> <p>(2) Equipment: The 10R BT received physical support (equipment) from the PSU and was able to designate office space, provide office furniture, telephone, 2 computers, 2 printers and 2 UPS for the use of the technical office. This seems physically sufficient to start the technical office's operations.</p> <p>(3) Expenditures: Neither an explicit expenditure plan nor an annual budget exists at present. The text addressing this issue in the verification document states that the 10R BT allocated LE100,000 for the preparation of the office location. Salaries of staff members are paid by the institutions they are representing (i.e., BT and MOEA/EEAA). No information was provided on sources to meet other present expenditures (such as O&amp;M of equipment, transport, administration, staff, etc.), or future expenditures (cost of activities to implement the IEMS program etc.). Sustainable financing sources are critical to the effectiveness of the IEMS. In a letter submitted to MVE the 10R BT states that the MHUNC Minister has approved the establishment of the fund and that the necessary decree is in preparation.</p> <p>As the staff complement remains incomplete, affecting probable performance of the Technical Office, itself only recently established, and as the budgets and expenditure plans remain incomplete, this means of verification is considered partially achieved.</p>	<p>Partially Achieved</p>

**C5. Objective 11**

	<b>Description</b>	<b>Status</b>	<b>Analysis</b>	<b>Achieved/ Not Achieved</b>
<p><b>Objective 11</b>  <i>Improve efficiency and performance of the solid waste management systems through a combination of strategic planning, improved administration, greater public awareness, and more active participation of the private sector.</i></p> <p><i>Lead Agency: EEAA</i></p>	<p>The lack of effective and disciplined municipal solid waste management (MSW) systems contributes to the serious environmental problems confronting Egypt. This policy objective aims at introducing policy changes that will lead to the establishment of more efficient municipal solid waste management, encouraging maximum feasible private sector involvement.</p>			
<p><b>Policy Reform Measure 11</b>  <i>EEAA, through a national consultation process, develops a national MSW management policy including institutional, technical and economic components, national targets, and recommended options for the segregation, collection, and disposal of MSW.</i></p>	<p>A first step in addressing this situation is the development of a national policy framework, through a participatory process, which outlines the national targets and identifies the roles and responsibilities for each level of government and for non-governmental entities, including for-profit enterprises. The policy framework will also address the steps needed to formulate an enabling environment to attract private sector investment to provide services through the incorporation of such factors as cost recovery, efficiency improvements, compliance, and enforcement.</p>		<p>Work on the preparation of national MSW policy with consultation and incorporation of comments of stakeholders and partners has culminated in the submission of the final version to the Board of Governors. It was adopted and the Prime Minister issued necessary executive decisions to implement the national program for MSWM involving the private sector.</p>	

	Description	Status	Analysis	Achieved/ Not Achieved
<p><b><u>Means of verification 11-1</u></b>  <b>A report by EEAA documenting the process of developing the first draft of the national MSW policy through a consultative approach with stakeholders and partners</b></p>	<p>Previous activities in formulation of an MSW management policy partially involved consultation with other stakeholders.</p> <p>Developing the new MSW policy should be based on a broad consultative process. This approach is critical to assure the overall quality of the policy and secures a smooth implementation.</p>	Submitted June 2000	<p>The report submitted by EEAA satisfies verification requirements. The report describes two sets of complementary activities undertaken by EEAA to involve stakeholders and partners in developing the first draft MSW policy. These are:</p> <p>a) A series of meetings chaired by Her Excellency, the Minister, addressed major concepts, ideas, options and needed changes for the sound management of solid waste. NGOs, funding agencies, experts, and media attended these meetings.</p> <p>b) A series of training workshops in Cairo, Alexandria, Luxor, and Ismailia with participants from municipalities and other relevant local administrative agencies. These workshops were funded by USAID and implemented by IP3.</p> <p>The report provided stresses that the process of consultation has led to a substantial refinement of strategy. Based on feedback from the above the strategy was improved. By the last workshop the national strategy evolved into a working document with performance standards and a focus on the role of the private sector in addressing the MSW problem.</p>	Achieved in Interim Period

	Description	Status	Analysis	Achieved/ Not Achieved
<p><b><u>Means of verification 11-2</u></b>  <b>A copy of the MSW draft policy after incorporating the comments of the stakeholders and partners.</b></p>	<p>The different stages for the development of EEAA National MSW Management strategy could be summarized as the following:</p> <p><u>Stage One:</u>  Brainstorming with NGOs, research centers, funding institutions, ministries and the media to produce a first draft of the strategy.</p> <p><u>Stage Two:</u>  EEAA reformats the strategy and presents it in workshops for additional feedback from stakeholders.</p> <p><u>Stage Three:</u>  Draft document reviewed and commented on by EEPP PSU. Comments are incorporated.</p> <p><u>Stage Four:</u>  Simultaneous planning of immediate actions</p> <p><u>Stage Five:</u>  Presentation of strategy to higher-level authorities for comments and incorporation of comments into the final document for submission to MOEA and approval by the cabinet.</p> <p>The draft MSW policy presented (<i>Arabic version of June 2000</i>) is titled “draft National <u>Strategy</u> for Integrated Municipal Solid Waste Management”. This title is different from the wording of the means of verification, which is “MSW draft <u>policy</u>”.</p>	Submitted June 2000	<p>The draft document – though titled strategy rather than policy - fulfills the verification requirements. The analysis is based on a comparison between the contents of the draft and the requirements detailed in the MOU.</p> <ol style="list-style-type: none"> <li>1. The submitted draft presented is significantly more developed compared to the previous MSW plans and programs. The draft stressed issues such as public-private partnership, and involving non-governmental organizations in implementation and institutional set-up.</li> <li>2. The draft also incorporated both the ongoing short-term actions and the planned long-term actions. The draft identifies goals, objectives, and action areas for the strategy and proposes a 10-year plan with targets and performance indicators.</li> <li>3. The issues of institutional framework raised by EEPP PSU were addressed in the draft, the roles and responsibilities in all steps in the management of MSW were identified, and recommendations are included on strategy implementation responsibilities. The need for an overall coordination body is addressed, through the existence of a ministerial group for MSW management appointed by the Prime Minister as mentioned in the EEAA submission letter and documented in the attachments to the draft.</li> <li>4. Issues related to the use of economic instruments and cost recovery were addressed in the draft but more details need to be incorporated in the final version.</li> <li>5. Technical options were also addressed in the draft, as well as legal changes needed for implementation.</li> </ol>	Achieved in Interim Period

	Description	Status	Analysis	Achieved/ Not Achieved
<p><b><u>Means of verification 11-3</u></b>  <b>A report documenting a continuation of the process of consultation with key stakeholders and partners, such as NGOs, governorates, local authorities, and the private sector.</b></p>	<p>This MOU is meant to assure that a consultative approach is employed throughout the process of preparing the MSW policy.</p>	<p>Submitted March 2001</p>	<p>The presented report and its attachments meet the needs of verification. The verification documents presented show that the following two methods of involving major stakeholders in the discussion of the final drafts of the national MSWM strategy were employed.  <u>First</u>, EEAA held meetings (i.e. EEAA board), events (i.e. National Environmental Day), and workshops (i.e. WB workshop on partnership in SWM). The targeted groups for these activities were NGOs, central and local government, and the private sector.  <u>Second</u>, EEAA made direct one-on-one contact with all Ministries (26) and Governorates (27) in addition to Luxor city officials.  As the report states, comments received by EEAA were integrated, yet how they were was not specified. Despite this, the documents presented show that the consultation process is continuing on the National Strategy for MSWM.</p>	<p>Achieved</p>

	Description	Status	Analysis	Achieved/ Not Achieved
<p><b><u>Means of verification 11-4</u></b>  <b>A copy of the final MSW policy submitted by MOEA to the Cabinet or the Board of Governors headed by the Prime Minister.</b></p>	<p>Submission of the MSW policy by MOEA to the highest GOE responsible authority documents the political adoption of this policy.</p>	<p>Submitted March 2001</p>	<p>The submitted EEAA/CEO letter and attachments (copy of the whole file submission to Board of Governors and a copy of the parts from the Board's ministries of meeting addressing the strategy) clearly document the submission of the final National Strategy for MSWM by MOEA to the Board of Governors meeting on the seventh of December 2000. The abstracts from the minutes of the meeting document the Board's discussion of the strategy and the Prime Minister's decision to adopt and enact the national program for municipal solid waste management.</p> <p>The attached file with the documents presented to the Board not only included the National Strategy for MSWM and its implementation program but also the different programs for solid waste management prepared by the Ministries of Agriculture, Health, Water Resources and Irrigation, Industry, Public Sector and Housing, public utilities and urban communities. The submitted documents meet the verification requirements.</p>	<p>Achieved</p>



**C6. Objective 12**

	<b>Description</b>	<b>Status</b>	<b>Analysis</b>	<b>Achieved / Not Achieved</b>
<p><b><i>Objective 12</i></b>  <i>Provide protection for the Egyptian Red Sea coral reefs, islands, and linked ecosystems of importance.</i></p> <p><i>Lead Agency: EEAA</i></p>	<p>The Red Sea, including the Gulf of Aqaba, is acknowledged to be one of the great coral reef ecosystems of the world. During the past two decades, a boom in tourist development activities, focused on the coral reefs, has occurred in and along the Red Sea.</p> <p>This policy objective is targeting policy changes that will lead to strengthening Red Sea protection in a designated area activity, and their extension to new areas within the Red Sea.</p>		<p>Expansion of the Red Sea protectorate is pending building the capacity of its management unit. Activities to strengthen and staff the Red Sea protectorate management unit are progressing with support from EEAA PSU. Actions to strengthen the management of Red Sea protectorates at the central EEAA departments have been addressed.</p>	

	Description	Status	Analysis	Achieved / Not Achieved
<b><i>Policy Reform Measure 12 A</i></b> <b><i>GOE expands the Red Sea Protectorate to include other islands, coral reefs, and linked coastal ecosystems of importance.</i></b>	The Government of Egypt has established, among others, the Red Sea Islands protectorate south of the Gulf of Suez along the Egyptian portion of the Red Sea, including the Giftun Islands.. To ensure that the coral reef ecosystems of the Red Sea protectorate are managed on a sustainable basis, current plans call for, among others, the creation of a larger Red Sea Marine Protected Area under the authority of Law 102 / 1983. The new protectorate will encompass coral reefs already within the Red Sea protectorate, and extending south to the Sudanese border. The larger protected area will allow Egypt to manage the Red Sea ecosystem as a whole. The new portions comprise important marine habitats valuable for their biodiversity, fishery, resources, endangered species, aesthetic appeal, and high tourist interest.		With the precondition set by EEAA of having in place greater management capacity and resources for the protectorate and the local authorities (EMU) before the decree is issued, this PM was not implemented in Tranche 1 of EEPP.	
<b><u>Means of verification 12A-1</u></b> <b>A copy of the Prime Minister Decree expanding the Red Sea Protectorate including coral reefs, and linked coastal ecosystems of importance.</b>		Not submitted		Not achieved

	Description	Status	Analysis	Achieved / Not Achieved
<b><i>Policy Reform Measure 12 B</i></b> <i>EEAA staffs the management unit needed to administer these areas including the provision of basic equipment.</i>	Within the EEAA Protectorates Department based in Cairo, a regional management unit manages each group of protectorates. The management unit specifically for the Red Sea protectorate does not yet exist nor does its supervisory department at the central level in EEAA, the Southern Region Protectorates Department. The Red Sea protectorate relies, through informal arrangement, on the South Sinai management unit for staff, minimal operating expenses, and management guidance. This has impacted the sustainable functioning of the unit. To address this, it is essential to activate the department for Southern Region Protectorates or another department with this specific mandate to provide management guidance, obtain approval of EEAA on the needed resources for the Red Sea management unit, and coordinate with other EEAA departments and protectorates. In addition, and on the level of the Red Sea protectorate management unit, more staff, equipment and a management plan are required to enable the unit to function in a sustainable manner. This PM is addressing these policy issues.		EEAA has taken major steps toward implementation of this PM. EEAA/ CEO issued the required decree activating the Southern Region Protectorates Department and identifying its relations with the Red Sea Protectorate management unit. More human, physical, and financial resources were allocated to the management of the Red Sea islands and mangrove areas (as part of the larger Alba Protectorate) and a work plan with long-term goals was put to implementation. This may establish the basis for the declaration of the expansion of the Red Sea Protectorate in Tranche 2.	

	Description	Status	Analysis	Achieved / Not Achieved
<b><u>Means of verification 12B-1</u></b> <b>A copy of an executive directive signed by EEAA CEO, setting relationships between the Southern Region Protectorates unit or other relevant unit with Red Sea protection responsibilities and: 1) Red Sea Protectorate – as well as other affiliated protectorates – and 2) other EEAA departments.</b>	This MV is intended to document the establishment of clear organizational relationships between the management unit responsible for the Red Sea protected areas (as part of Alba Protectorate) and the central level i.e., the Central Department for Nature Protection/the Southern Region Protectorates department and other EEAA central departments.	Submitted March 2001	The submitted copy of EEAA/CEO Executive Directive no. 16/ 2001 issued on 14 <sup>th</sup> of March 2001 meets the verification needs. The directive delineates the mandates of the Southern Region Protectorates (SRP) and identifies its geographical boundaries i.e., all present and future declared protected areas, and its adjacent areas in the Governorates of Asyut, Qena, Sohag, Aswan, Red Sea and Luxor city. In addition it identifies clearly the mandates of the protectorate management units (among which that responsible for Red Sea protected areas). The directive also establishes the relationship of these other entities to the SRP, other Protectorates and EEAA departments for a variety of issues, including planning, follow up, budgeting, law enforcement, partnership with all stakeholders and EIA.	Achieved

	Description	Status	Analysis	Achieved / Not Achieved
<p><b><u>Means of verification 12B-2</u></b>  <b>Copy of annual workplan and annual budget for full-time staff and equipment for the unit and the Red Sea protectorate.</b></p> <p><b><u>Means of verification 12B-3</u></b>  <b>An official statement from EEAA on real expenditures for staffing and equipment of the Red Sea protectorate indicating differences from the previous situation.</b></p>	<p>MVs 12B-2 and 3 are designed to verify EEAA efforts in operationalizing and strengthening the Red Sea management unit through allocating more human, physical and financial resources. In addition, the preparation of a workplan is a good indication that the unit is becoming operational.</p>	<p>Submitted March 2001</p>	<p>The submitted documents (two) meet the criteria for verification. The first document includes the identification of priority issues for the work of the Red Sea management unit for the year 2000 and beyond. The unit seems to have adopted the rolling plan technique in addressing its priority areas. These are: establishment of an appropriate internal organizational structure; environmental management operations such as marine surveillance and EIA compliance; environmental monitoring and information; maintenance and development of mooring buoy systems; staffing, provision of offices and housing, training, transport, communications, boats, work instruments and equipment, lab and buoy maintenance workshops.</p> <p>The activities are prioritized in three groups -- one for the year 2000, another for 2001, and the last for future years. The document is the first of its kind for the unit. The unit staff, many of whose members are fairly junior, produced the document. It is expected that as staff capability increases, workplan quality will improve.</p> <p>The second document contains two tables with information on actual and planned expenditures and staff for the Red Sea protected areas (as part of Alba protectorate) for the years 2001 and 2002. Analysis of the figures on expenditures reveal the following:</p> <p>a) total actual expenditures amounted to LE1,200,000 in 2000 and reached LE800,000 by beginning of 2001. Another LE5,000,000 are expected by the end of 2001 (50% for buildings, 10% for furniture, 20% salaries, 20% others),</p> <p>b) expenditures on buildings for housing and offices will treble by the end of 2001 and their furniture will increase fivefold,</p> <p>c) actual running expenses (including salaries) reached LE150,000. In 2000, LE377,000 by beginning of 2001 and are expected to increase by another LE1,000,000 by the end of 2001 and</p> <p>d) actual expenditures on mooring buoy systems totaled LE50,000 for 2000 and LE40,000 beginning of 2001 with another LE100,000 planned before the end of the year.</p> <p>Figures for actual hired staff show a similar growth trend from 8 in 1998/99 to 27 in 1999/00. The number is planned to double in 2001 and to treble in the future. The documents submitted did not include information on staff nor equipment provided to the newly activated SRP department at the central level. Nevertheless it is believed that one of the senior staff of the central level will be made in charge of this department.</p>	<p>Achieved 12B-2</p> <p>Achieved 12B-3</p>

**C7. Objective 13**

	<b>Description</b>	<b>Status</b>	<b>Analysis</b>	<b>Achieved / Not Achieved</b>
<p><b>Objective 13</b>  <i>EEAA encourages environmentally sustainable development of the Red Sea coast through an improved EIA process.</i></p> <p><i>Lead Agency: EEAA/Red Sea Governorate</i></p>	<p>Objectives 13 and 14 target the protection of the Red Sea coast by improving the EIA process (review and compliance). Objective 13 is addressing improvements in the EIA process undertaken by EEAA.</p>		<p>Major steps and improvements have been introduced by EEAA to improve the EIA review process. However, more effort is needed to strengthen compliance monitoring in EEPP Tranche 2.</p>	

	Description	Status	Analysis	Achieved / Not Achieved
<p><b><i>Policy Reform Measure 13</i></b>  <i>CEO of EEAA issues a policy directive which clarifies the roles and responsibilities for EIA review and approval of coastal projects by various departments within EEAA, the TDA, Governorates, and other relevant authorities and begins enforcement of this policy directive in the Red Sea Governorate.</i></p>	<p>The main purpose of this policy measure is to upgrade the current procedures for EIA enacted since 1996 to a high quality and effective EIA system with clearly identified and integrated roles for all parties involved.</p>		<p>Parties involved in the EIA review, approval and compliance process for coastal projects in the Red Sea have initiated (separately and jointly) a set of activities targeting the improvement of the EIA system. These activities could be grouped in the following:</p> <ul style="list-style-type: none"> <li>a) EEAA identified the different roles and responsibilities among its competent departments (i.e. the Central Department for EIA and the Central Department for Nature Protection)</li> <li>b) EEAA, TDA, and the Red Sea Governorate established a joint committee with high-level representation to address practical problems facing the implementation of the EIA review system developed with these other authorities and issued by EEAA in October 1996.</li> <li>c) EEAA issued a series of specific EIA guidelines for selected activities to update the 1996 EIA review system and guidelines.</li> <li>d) EEAA established a computerized registration system for EIA studies in early 1999.</li> </ul>	

	Description	Status	Analysis	Achieved / Not Achieved
<p><b><u>Means of verification 13-1</u></b>  <b>Copy of the Decree of EEAA CEO identifying the roles and responsibilities for EIA review and approval by various EEAA departments and referring to the roles of different parties involved in the EIA process of Red Sea coastal projects (TDA, Red Sea Governorate) as stipulated in Law 4/94 and its executive regulations and EEAA guidelines on EIA.</b></p>	<p>As the EEAA is mandated by law 4/1994 to establish and manage the EIA (Environmental Impact Assessment) review system a clarification of the roles and representations of all parties involved is essential.</p>	<p>Submitted June 2000</p>	<p>The submitted EEAA CEO decree and attachment meet verification requirements. The two documents submitted include:</p> <p>1-A CEO decree (no. 14/2000 issued on 21 / 06 / 00) addressing the division of labor between the two EIA competent departments in EEAA, namely the Central Department for EIA and the Central Department for Nature Protection. The first department exercises the authority for reviewing EIAs submitted by developers through the different competent administrative authorities as stipulated by law 4/1994. The second department (Nature Protection) is mandated by law 102/83 to act as the competent administrative authority for activities within the protectorates. The decree clearly identifies the roles and responsibilities of each department, describes the overall cycle for processing EIA documents.</p> <p>2-The EIA procedures manual, approved by EEAA BOD on October 1996, identifies the roles and responsibilities of EEAA, the competent authorities and the developer in the EIA review process in adherence to law 4/1994 and its by-laws. This system is applicable to all projects across the nation. In the case of the Red Sea the committee established between EEAA, TDA and the Red Sea Governorate is addressing problematic issues of operationalization of the EIA review system.</p>	<p>Achieved in Interim Period</p>



	Description	Status	Analysis	Achieved / Not Achieved
<p><b><u>Means of verification 13-2</u></b>  <b>A report on the joint committee of EEAA, TDA, and the Red Sea Governorate addressing issues of coastal zone management. The report, based on meeting minutes, will inform the structure and membership of the committee, meetings held, mechanisms for approving decisions, issues addressed, and decisions taken. The focus will be on issues related to EIA resolved by this committee.</b></p>	<p>The MV is designed to document the joint efforts by EEAA, TDA and Red Sea Governorate (RSG) to improve the EIA process.</p>	<p>Submitted March 2001</p>	<p>The submitted report on the joint committee of EEAA, TDA and RSG addressing EIA issues meets the verification requirements. Based on the information contained in the report two mechanisms were established to address coastal zone management issues: a) the National Committee for Integrated Coastal Zone Management (NCICZM) and b) the Joint Committee for Following up the Protection of the Environment of the Red Sea Coast (JCFPERSC). The first Comm. established and regulated by a MOEA decree with membership of 12 central GOE ministries and agencies in addition to EEAA, TDA, NGOs and private sector, does not include participation of local administration from the 9 Governorates with coastal areas. It is not presently fully operational.</p> <p>For these reasons EEAA, TDA and RSG established the (JCFPERSC) as an <i>ad hoc</i> Committee responsible for coordination and problem solving in issues pertaining to tourism coastal projects. Accordingly the analysis will focus on the second mechanisms i.e., the (JCFPERSC). This committee was established upon a request by the RS Governor. It includes senior representatives from TDA, EEAA and RSG and its decisions are approved through consensus and submitted to the RS Governor and the CEOs of TDA and EEAA to take the needed actions each in his line of authority. Over the period from Nov. 1998 to March 1999 (for which information was provided) the Governor and both CEOs attended the Comm. meet 3 times out of 5.</p> <p>With respect to EIA process the committee addressed one of its major constraints, namely the setback lines for the coastal tourism projects. Through a sub-committee established by a TDA CEO decree with members from TDA (7), EEAA (4), and RSG (1) setback lines for 12 integrated tourism development centers were identified. Also in this comm. decision were made via consensus. An English summary of the minutes of meetings of the JCFPERSC and a brief description of the progress of the mentioned sub comm. was annexed to the submitted verification report. However the report did not provide information on the present status of the JCFPERSC and whether it is still functioning, substituted by the NCICZM, or frozen until its substitution by the latter. The established cooperation mechanisms proves that such work instruments are applicable and efficient yet the reasons behind their not being sustainable needs to be addressed.</p>	<p>Achieved</p>

	Description	Status	Analysis	Achieved / Not Achieved
<p><b><u>Means of verification 13-3</u></b></p> <p><b>Quarterly progress reports indicating: a) List of EIAs for coastal projects reviewed by EEAA (first/second/third review);</b></p> <p><b>b) List of EIA review results (classified as: approved- approved with conditions- commented on-disapproved).</b></p>	<p>This MV intends to documents the status of the submittal of EIAs for Red Sea coastal projects, prior to their construction, to the Competent Administrative Authority for EEAA review.</p>	<p>Submitted March 2001</p>	<p>The three submitted quarterly progress reports meet the verification requirements. The reports cover the period from July 1999 to mid March 2001 and provide information by project on: owner, location, date of submission to EEAA, classification according to EIA lists, EEAA decision, and date. The first report includes acceptable clarification on information that does not completely match with the wording of the MV, these are:</p> <ul style="list-style-type: none"> <li>a) there is only one EIA review for each study submitted, the 60 day review period could be stopped if data submitted needs completion (once this is provided the review recommences with a new 60 day period),</li> <li>b) review results for tourism development projects in the RSG are either approval, data to be completed (the implication of this term is detailed in the report), or rejection (only if the project requires interference or destruction of an ecologically sensitive area),</li> <li>c) in the case of coastal projects in the Red Sea all approvals are with conditions depending on different issues listed in the report.</li> </ul> <p>The data presented reports on a total of 63 coastal projects submitted mainly from TDA and RSG, 3 of these were still under study at the time of report submittal. Approved were 62%, 48% were grouped as “in need of data completion” and none were rejected. The report mentions that according to the analysis for the year 2000 of the EIA database, upon which the report is prepared, the average time for review is 28 days Unfortunately the provided data did not allow the MVE to calculate this for the RS coastal projects. This not being a verification issue, it is currently addressed for all projects in an evaluation study being conducted by MVE. The reports indicates the need to strengthen the activities of EEAA and CAAs addressing the compliance with a) the conditions set by EEAA review and b) the provision of the needed data before construction of these projects.</p>	<p>Achieved</p>

**C8. Objective 14**

	<b>Description</b>	<b>Status</b>	<b>Analysis</b>	<b>Achieved / Not Achieved</b>
<b><i>Objective 14</i></b> <i>Environmental policy monitoring capacity within the TDA is strengthened.</i>  <i>Lead Agency: TDA</i>	<p>The purpose of this policy objective is to establish a sustainable and effective environmental monitoring function within TDA. This objective will be achieved by improving the EIA mechanism. The overall goal is to promote environmentally sound development in the Red Sea coast.</p>			
<b><i>Policy Reform Measure 14A</i></b> <i>CEO of TDA issues a decree establishing an Environmental Monitoring Unit, hires or assigns full time staff for the unit, sets work objectives and funding for the unit, and develops an annual work plan.</i>	<p>The measure is intended to set the institutional base for the EMU with the intention that the EMU be fully functional before the end of T1. The final means of verification reports on the degree or level at which it is functioning.</p> <p>Establishing the EMU, developing its annual work and financial plans, and initiating its mobilization are the major actions under this policy measure.</p>		<p>Substantial progress has been made toward full implementation of this policy measure. The Environmental Monitoring Unit (EMU) has been officially established by a decree and required management and financial plans have been completed at the end of Tranche 1. This late establishment has meant that the EMU is not yet fully mobilized and full implementation of the management and financial plans will require additional time and effort by TDA. Finalization of the full-time staffing and allocating needed financial resources are fundamental to assuring the sustainable performance of the unit.</p>	

	Description	Status	Analysis	Achieved / Not Achieved
<b><u>Means of verification 14A-1</u></b> <b>A copy of the signed Executive Directive (CEO) establishing an Environmental Monitoring Unit and setting work objectives.</b>		Submitted May 2000	An Executive Directive, No. 54 of March 23, 2000, signed by the TDA CEO, was submitted. It established an Environmental Monitoring Unit, setting overall work objectives and staff set-up. The document submitted meets verification requirements.	Achieved

	Description	Status	Analysis	Achieved / Not Achieved
<p><b><u>Means of verification 14A-2</u></b>  <b>A copy of the officially-approved management plan for the unit including organizational structure, functions and responsibilities, staff set-up, staff job descriptions, work procedures, etc. including assigning staff from within TDA or hiring new staff.</b></p>		Submitted March 2001	<p>A document titled “Environmental Monitoring Unit Institutional Development Plan” was submitted with an attached letter signed by the TDA CEO stating the approval of the document. Document contents included EMU objectives, program development, program plan and specific EMU tasks, and staffing plan.</p> <p>The EMU program plan included the staffing and organizational structure and job description and qualifications for EMU staff.</p> <p>The above-mentioned components, including the work schedule, generally comprise the EMU management plan as indicated in the means of verification.</p> <p>Two minor comments are:</p> <ol style="list-style-type: none"> <li>1) Though the section of specific tasks details the unit functions and responsibilities, further elaboration could be added on interaction with other departments;</li> <li>2) Some staff are assigned to the EMU from within TDA on a part-or full-time basis and others are outside consultants. Sufficient full-time staffing is fundamental to the sustainable functioning of the unit. Completion of the planned staffing is needed.</li> </ol> <p>The presented document meets verification requirements.</p>	Achieved

	Description	Status	Analysis	Achieved / Not Achieved
<p><b><u>Means of verification 14A-3</u></b>  <b>A copy of the officially approved financial plan showing the annual budget for full-time staff and equipment in the unit and expenditures by line item.</b></p>		Submitted March 2001 with clarifications July 2001	<p>A document titled "Environmental Monitoring Unit Institutional Development Plan" was submitted with an attached letter signed by the TDA CEO stating the approval of the document.</p> <p>Document contents included the estimated budget necessary for the first year of operation of the EMU. The budget included all potential operating costs (equipment, transportation...etc.) except salaries of local staff. The actual budget timeframe will depend on the source of the funds.</p> <p>The estimated budget comprises the core component of the financial plan. However, the document does not indicate clearly the origin of the financial resources that will be allocated for this budget.</p> <p>Activities are being carried out by this unit and expenditures are being made but they can not be tied directly to this plan. Actual expenditure according to the proposed budget has not started yet, in part because the plan was finalized at the end of Tranche 1 in March 2001, and, in part because the source of the full funding is not yet identified. TDA reports that it plans to use funds from the Tranche 1 cash disbursement when available.</p> <p>The presented document partially meets verification requirements because expenditures did not happen in Tranche 1 according to the plan and the plan is not being fully implemented.</p>	Partially Achieved

	Description	Status	Analysis	Achieved / Not Achieved
<b><u>Means of verification 14A-4</u></b> <b>A status report indicating unit mobilization, reporting activities and achievements to date.</b>		Submitted March 2001 with clarifications July 2001	<p>The document titled “Status of Environmental Monitoring Unit Development Program” was submitted. The report summarizes the current actions to initiate and mobilize the function of environmental monitoring within TDA, principally by establishing the EMU based on its Institutional Development Plan in 14A-3 above.</p> <p>There is no presentation of actual mobilization activities except to refer to the plan in 14A-3, recently approved. TDA reports that it plans to use funds for this from the Tranche 1 cash disbursement when available.</p> <p>The presented document partially achieves verification requirements because the unit is only now being mobilized at the end of Tranche 1.</p>	Partially Achieved
<b><i>Policy Reform Measure 14B</i></b> <i>TDA takes steps to require Red Sea tourism developers to comply with EIA regulations.</i>	The purpose of this policy measure is to improve the ability of TDA to enforce EIA regulations for tourism projects in the Red Sea area.		Submitted quarterly progress reports that track EIA status of development projects provide an effective tool to prevent EIA system leakage. Regular reporting on inspection activities is still lagging pending systematic mobilization of the EMU. Securing sustainability of the progress reporting mechanism (within the full-fledged operation of the EMU), further upgrading of report quality through completing missing data and maintaining consistency, and getting feedback to relevant departments will be required to fully achieve the purpose of the policy measure whether within the context of EEPP in Tranche 2 or beyond.	

	Description	Status	Analysis	Achieved / Not Achieved
<p><b><u>Means of verification 14B-1</u></b>  <b>Quarterly reports indicating total number of Red Sea tourism development projects initiated since signing of EEPP MOU.</b></p> <p><b><u>Means of verification 14B-2</u></b>  <b>Quarterly reports indicating the total number of Red Sea tourism development projects for which TDA required the preparation of EIAs.</b></p>	<p>The first report contained information on projects initiated and their EIA status within the period from June 1999 to the end of March 2000. The second, third and fourth reports, respectively, covered periods up to end of June, September and December 2000. The second report included revised information of the first report.</p>	<p>Four quarterly reports were submitted. The first report was submitted June 2000. The other three reports were submitted March 2001.</p>	<p>The presented documents meet verification requirements.</p> <p>The reports indicate the status of EIAs for projects initiated (new establishments and extensions) within the respective periods. This provides information on all applicant projects including those that have started construction either without having submitted or without yet having approved EIAs.</p> <p>The last three reports are much clearer and more complete, as a monitoring tool, than the first report as they include further information on dates of project submission, EIA submission to TDA and transfer to EEAA, EIA approval, construction permit...etc, in addition to current project and EIA status.</p>	14B-1 Achieved
		<p>14B-2 Submitted (incorporated within the same set of quarterly reports for means of verification No. 14B-1.</p>	<p>Despite some missing data the provided information provides for critical indications. It shows that about 60 percent of projects have already started construction without getting approved EIA either because it is still under review (approximately half of these) or the EIAs have not been submitted. The reports did not discuss the causes or factors behind this situation and accordingly did not address the needed approaches to remedy it.</p> <p>These reports, with future regular improvements completing missing data including, for example, complete dates, and maintaining consistency, could become an effective tool for monitoring the status of the EIA function within TDA and subsequently providing substantial feedback for EIA compliance management.</p>	14B-2 Achieved



	Description	Status	Analysis	Achieved / Not Achieved
<p><b><u>Means of verification 14B-3</u></b>  <b>Quarterly reports on inspection activities at construction sites that include monitoring for EIA compliance.</b></p>	<p>The intent of this means of verification was the reporting on the in-field actions of the systemic monitoring capability that had been built over Tranche 1. Environmental monitoring is still not established as a separate mechanism within TDA. It will be fully implemented when the EMU is operational in Tranche 2.</p> <p>However, current construction inspection activities do include a kind of environmental monitoring.</p>	<p>One report was submitted March 2001 with clarifications July 2001</p>	<p>The presented document was not a series of quarterly reports but was one document intended to cover the whole Tranche 1 period. It is comprised of a set of exchanged letters between TDA and EEAA regarding EIA studies and relevant coordination arrangements. It does not contain information on ongoing systematic inspection activities of construction sites undertaken by the monitoring department that may include (on an <i>ad hoc</i> basis) environmental monitoring related or not to EIA compliance.</p> <p>This capacity is not yet fully functional and is presently being built up by TDA but, as there are some activities in the area in the meantime, this means of verification is considered partially achieved.</p> <p>TDA reports that it plans to use funds for this from the Tranche 1 cash disbursement when available.</p>	<p>Partially Achieved</p>

## C9. Objective 15

	Description	Status	Analysis	Achieved / Not Achieved
<p><b>Objective 15</b>  <i>TDA strengthens its capacity to develop and disseminate Best Practices and other environmental programs intended for investors and developers through education and awareness programs.</i></p> <p><i>Lead Agency: TDA</i></p>	<p>The main purpose of this objective relates to enabling TDA to effectively plan and manage sustainable development of environmentally sensitive areas of the Red Sea coastal zone. The basic approaches and tools for achieving the policy objective – as identified by the relevant policy measures are:</p> <ol style="list-style-type: none"> <li>1. Establishing the needed function of policy formulation and implementation within the TDA technical apparatus (PM 15-A);</li> <li>2. Building the knowledge and technical base of environmentally sensitive development (Best Practices, Eco-lodges, etc.), disseminating it to developers, and making necessary promotion, guidance, and technical assistance (PM 15-B)</li> <li>3. Allocating land to Eco-lodge developers, monitoring development project implementation and enforcing compliance with development guidelines (PM 15-C).</li> </ol>		<p>Considering the objective's main purpose and approaches the overall assessment of implementation could be described as follows:</p> <ol style="list-style-type: none"> <li>1. The institutional base for managing policy formulation and implementation within TDA (PIU) could be considered as preliminarily set up. Further arrangements are still needed to complete and reinforce staff set up, initiate full mobilization, and internalize the function within the TDA administrative structure.</li> <li>2. Development of the knowledge and technical base of policy implementation is advancing. The Best Practices manual has been finalized, endorsed, and published. The guidelines of Eco-lodge development are finalized though always subject to updating and upgrading. The process of dissemination of the manuals is accomplished through a series of events and activities (seminars, consultations, etc.). Effective adoption will require simultaneous advances in developing the administrative and legal bases of Eco-lodge development (rating, licensing, etc.).</li> <li>3. Allocating land to developers for Eco-lodge development should be based on an extensive technical exercise of identification, classification of environmentally sensitive areas, and developing corresponding development conditions. At the regional level such a base is still lagging with the exception of the experimental and pilot action of developing the "Draft South Marsa Alam Sector Strategic Development Plan". A few land parcels were previously allocated to developers for Eco-lodges before this plan.</li> </ol>	

	Description	Status	Analysis	Achieved / Not Achieved
<p><b><i>Policy Reform Measure 15A</i></b>  <i>CEO of TDA issues a decree establishing a Policy Implementation Unit (PIU), hires or assigns fulltime staff for the unit, and develops an annual work plan.</i></p>	<p>The main purpose of this policy measure is to establish sustainable and effective functions of environmental policy formulation and implementation within the TDA structure. The PIU is intended to integrate the environmental dimension in planning and developing tourism projects in the environmentally sensitive Red Sea coastal zone with special focus on the tools of “Best Practices” and “Eco-lodge” programs.</p>		<p>An executive directive of the CEO of TDA established The PIU on April 24, 1998. The directive indicated the unit’s general purpose and steering committee members. Currently, the unit functions are proceeding on preliminary activities related to its mandate within current EEPP activities. Annual work and financial plans have just been finalized by the end of the Tranche utilizing the technical support provided through EEPP.</p> <p>Though the unit was established in 1998 the delay in developing its annual work and financial plans has impeded its full mobilization as an internal TDA function and this is manifested in its limited progress reported.</p> <p>Though some functions of the PIU are currently operated within EEPP activities the unit setup and full permanent mobilization is still lagging for many reasons. Delayed work and financial plan have been just one of them. Amending the directive establishing the PIU, completing financial plans, commitment and full adoption and implementation of the plans – especially full-time staffing – are critical prerequisites for fully implanting the PIU.</p>	

	Description	Status	Analysis	Achieved / Not Achieved
<b><u>Means of verification 15A-1</u></b> <b>An Executive Directive establishing a Policy Implementation Unit.</b>		Submitted May 2000	<p>An executive directive was submitted, dated April 24, 1998 and signed by the TDA CEO, establishing the Policy Implementation Unit. The directive established a steering committee to manage the unit. The committee composition includes TDA employees but comprises mainly external advisors.</p> <p>The presented document meets verification requirements.</p>	Achieved in Interim Period

	Description	Status	Analysis	Achieved / Not Achieved
<p><b><u>Means of verification 15A-2</u></b>  <b>A document reporting PIU organizational information such as: objectives, policy framework, administrative organization, main functions and activities, staff job descriptions, and finalized arrangements for hiring and/or assigning from within TDA-full time staff based upon the executive directive.</b></p>		Submitted June 2000	<p>The submitted documents included:</p> <ol style="list-style-type: none"> <li>1) A letter from TDA CEO providing information on the present PIU staffing;</li> <li>2) A consultant report – adopted by TDA - dated February 1999, carried out under EST (USAID-funded project), elaborating on the organizational development of the PIU;</li> <li>3) A June 2000 TDA report on the organizational evolution of the PIU.</li> </ol> <p>The above-mentioned documents clarified PIU objectives, mission and policy framework for functions and activities, administrative organization, and proposed initial staffing that included general qualifications and responsibilities. The report indicates that PIU staffing is still based on contract basis (external consultants) and mostly on part-time bases for TDA employees.</p> <p>The presented document meets verification requirements.</p>	Achieved in Interim Period

	Description	Status	Analysis	Achieved / Not Achieved
<b><u>Means of verification 15A-3</u></b> <b>PIU approved annual work and financial plan including financial resources allocated, work procedures and communication/ interactions arrangements with other departments within TDA and other entities outside of TDA; detailed components of training, technical assistance and awareness building for investors and developers.</b>		Submitted March 2001	<p>A document titled "First Year Work Plan and Budget for the Policy Implementation Unit" was submitted with an attached letter signed by the TDA CEO stating approval of the document.</p> <p>The original TDA CEO executive directive establishing the PIU called for a committee-like form. Present plans for the PIU are for an internal and permanent administrative unit in TDA. The original directive may have to be modified.</p> <p>The document covers all of the necessary areas with certain limitations related to the financial plan which are:</p> <ul style="list-style-type: none"> <li>- Costs of staff salaries are excluded from the budget as these are still being determined.</li> <li>- There is no differentiation between capital and recurrent expenditure in the budget.</li> <li>- Sources of financial allocations needed to cover the projected expenditure are not fully illustrated though the Tranche 1 cash disbursement is named as a possible source.</li> </ul> <p>The presented document meets verification requirements.</p>	Achieved

	Description	Status	Analysis	Achieved / Not Achieved
<b><u>Means of verification 15A-4</u></b> <b>Quarterly progress reports documenting activities implemented according to work plan.</b>	<p>There were no quarterly reports until the PIU workplan was finalized. Therefore there is one report titled “First Progress Report of the Policy Implementation Unit” covering through December 2000.</p> <p>This report covers all activities similar to those that are PIU responsibilities though not all are taking place within the PIU.</p>	Submitted March 2001	<p>The submitted report titled “First Progress Report of the Policy Implementation Unit” is one combined report that covers the period up to the end of December 2000. There were no quarterly progress reports pending finalization and approval of PIU work and financial plans.</p> <p>The PIU work and financial plan were finalized and officially approved in September 2000 though notification and documentation of this was only submitted in May 2001 in response to a draft version of this report.</p> <p>The documentation indicates that all PIU initiation activities and all other activities that relate to PIU functions implemented within the current EEPP framework were carried out according to the work plan.</p> <p>The presented documentation meets the requirements of the means of verification.</p>	Achieved

	Description	Status	Analysis	Achieved / Not Achieved
<p><b><i>Policy Reform Measure 15B</i></b></p> <p><i>TDA takes steps to disseminate the "Best Practices" manual and monitor compliance.</i></p>	<p>The main purpose of this policy measure is to get developers and investors in the Red Sea coast to adopt environmental "Best Practices". Achieving this PM requires identifying the Best Practices program, disseminating it, and monitoring its adoption.</p>		<p>The Best Practices manual has already been prepared and endorsed by the CEO of TDA. Major activities of disseminating and promoting the Best Practices (addressing investors and developers and other parties) have already been carried out. These types of technical documents are always subject to continuous updating and upgrading.</p> <p>Refining, elaborating, and detailing of BPs for design, construction and operation is needed to allow for effective implementation. Further, the adoption of BPs is still on a voluntary basis and integration of BPs as enforced development conditions is still lagging.</p>	
<p><b><u>Means of verification 15B-1</u></b></p> <p><b>An official document indicating that Best Practices manual is finalized endorsed by CEO and disseminated to relevant parties.</b></p>		<p>Submitted May 2000</p>	<p>The submitted document is an official letter signed by TDA CEO indicating that the Best Practices (BP) Manual was prepared, published, endorsed by the CEO, and disseminated. A copy of the BP manual was also submitted.</p> <p>The presented document meets verification requirements.</p>	<p>Achieved in Interim Period</p>



	Description	Status	Analysis	Achieved / Not Achieved
<b><u>Means of verification 15B-2</u></b> <b>Quarterly progress reports indicating implemented activities of building awareness, training and technical assistance of developers, general public, community, etc, (courses, workshops, seminars, awareness campaigns) and other relevant activities.</b>		Submitted June 2000  Additional report submitted March 2001	<p>The submitted report compiles a series of quarterly progress reports. The report listed a set of activities of implementing dissemination of Best Practices. These activities include a number of seminars, workshops, forums, etc. that took place before and after publishing the BP manual starting from the third quarter of 1998 and continuing through 2000. Attached documents included descriptions of the events such as agendas and participant lists.</p> <p>An additional report was submitted in March 2001 covering activities conducted through the period of July 2000 up to March 2001.</p> <p>Based on all materials submitted the dissemination of the BP manual is considered accomplished. The presented documents meet verification requirements.</p>	Achieved in Interim Period

	Description	Status	Analysis	Achieved / Not Achieved
<p><b><u>Means of verification 15B-3</u></b></p> <p><b>Half-year "Best Practices (BP) Monitoring Report"</b></p> <p><b>recording: List of projects adopting one or more of BP (according to classifications such as Construction, Waste Treatment, etc.) and providing a general assessment of efforts to disseminate BPs and their eventual actual results.</b></p>	<p>This means of verification is intended to document, through regular reporting, dissemination of best practices by TDA, and adoption of best practices by Red Sea developers.</p>	<p>First report Submitted June 2000</p> <p>Second report submitted March 2001</p>	<p>The first half-year "Best Practices" (BP) monitoring report contained information on BP adoption for the period 1 July to 31 December 1999. The report provided information on only 41 development projects in 24 development centers along the Red Sea coast. As the coast is subdivided into 5 tourism sectors, that include 27 development centers, 3 development centers are not covered in the report. The report indicated the adoption of a standard list of 8 groups of BPs. The report was insufficient in assessing the overall situation of BP adoption.</p> <p>The second half-year report contained information on BP adoption for the period ending December 31, 2000 for the 45 projects that are currently under way in the TDA regional domain. It used the same matrix methodology of the first report. However, it provided differentiation among the three levels of adoption (design, construction and operation) and a kind of a general quantitative assessment of BP adoption. It also provided additional information on the adoption by currently operating facilities of specific selected environmental BPs (different from the above-mentioned standard list). This information is based on a complete field survey conducted during the period December 30, 2000 and January 10, 2001.</p> <p>The list of potential BPs should be defined in greater detail. In addition, the BP monitoring process should be further refined with the experience gained from fieldwork. However, the report provided is a reasonable starting point.</p> <p>An analysis of problems and constraints that may impede adoption of BPs - and accordingly indicate how to address such constraints – is not contained on the two reports.</p> <p>The presented documents meet verification requirements.</p> <p>Future reports should include all relevant development centers and indicate obstacles and constraints to adoption of certain BPs, overall positive impact of adoption, potentials for advancing future adoption, etc.</p>	<p>Achieved</p>

	Description	Status	Analysis	Achieved / Not Achieved
<b><i>Policy Reform Measure 15C</i></b> <i>TDA begins allocating Red Sea coastal land to Eco-lodge developers.</i>	The main purpose of this policy measure is to identify environmentally sensitive areas, allocate them for special development (e.g., as Eco-lodges), and then monitor their implementation.		<p>Development of the technical base for Eco-lodges is proceeding. Development and further upgrading of guidelines and their dissemination is advancing. The process of systematic land allocation on sound technical bases is being undertaken first in one important area. Current efforts envision linking of Eco-lodge development to the overall concept of environmentally sensitive areas (Eco-zones). Regardless of the expected time this concept takes to come to fruition, it will ultimately improve the overall quality and effectiveness of development planning. Future efforts need also to thoroughly consider the administrative and legal arrangements of licensing and rating of Eco-lodges.</p> <p>TDA is building toward actual eco-lodge construction more deliberately than planned before EEPP, first through ecological zoning of the areas, and then eventually through limited allocation. Most of this work is now planned for Tranche 2. This could succeed if the overall swift process of development in the region does not overrun this deliberate pace.</p> <p>Also, as stated in the Interim Report of Implementation through December 2000, it is possible that the timeframe for actual Eco-lodge construction originally envisioned in the EEPP MOU for Tranche 1 of 1999 was overly ambitious and could not have been achieved in the Tranche 1 timeframe.</p>	

	Description	Status	Analysis	Achieved / Not Achieved
<p><b><u>Means of verification 15C-1</u></b>  <b>Half-year status report including illustrative maps and attached descriptive document indicating environmental criteria used for designating areas for future Eco-lodge development (enforced-optional) and the areas so designated.</b></p>	<p>This focuses mainly on the intellectual and technical exercise of planning. The planning exercise here relates to developing the process of classification of land areas based on environmental sensitivity and making the process of land allocation correspond.</p>	<p>First report submitted June 2000</p> <p>Second report submitted March 2001</p>	<p>The first half-year status report contained a very general description of basic criteria for selection of Eco-lodge development, along with maps illustrating selective site selections. The report did not contain specific and detailed information on criteria and application. The need for a clear and comprehensive framework for multi-grade Eco-zoning (to attune development to differentiated environmental sensitivity) was identified by TDA as a major policy orientation in the next phases of EEPP.</p> <p>The second report comprises mainly a summary of the “Draft South Marsa Alam Sector Strategic Development Plan” prepared by TDA in February 2001 and submitted though not yet officially adopted. A copy of the plan itself in Arabic is attached to the report. The area designated by the plan was early identified as high priority action area for Eco-lodge development by TDA and the GEF. The plan is a preliminary model for local application of development based on environmental sensitivity analysis.</p> <p>Though the “Strategic Development Plan” relates only to one geographical sector of the area under TDA jurisdiction, it is in the most important area and it represents a significant and comprehensive initiative that addresses planning and implementation of environmentally sensitive coastal development. Presumably it would serve as a model for the rest of the region. The overall framework of Eco-zoning at the regional level is expected to be a focal issue in Tranche 2.</p> <p>The presented documents meet verification requirements.</p>	<p>Achieved</p>

	Description	Status	Analysis	Achieved / Not Achieved
<p><b><u>Means of verification 15C-2</u></b>  <b>Half-year status report on areas actually allocated to developers for Eco-lodge development and on developers' actual compliance with TDA Eco-lodge construction criteria and guidelines.</b></p>	<p>This means of verification intends to document actual allocation of land to developers in designated areas and monitor compliance.</p>	<p>Submitted March 2001</p> <p>Updated April 2001</p>	<p>One combined limited and short report was submitted followed by clarifying information in response to a draft of this report. They briefly summarize the current status and future prospects of the Eco-lodge development initiative of TDA and its constraints.</p> <p>They also indicate – very briefly – the status and locations of five projects that were previously allocated to developers for Eco-lodge development. Two of them are already under construction and the others are still in the phase of preparation of technical drawings. The two under construction are indicated as being implemented as Eco-lodges according to the criteria in existence when they were awarded and to the extent technically feasible. These criteria were based on the USAID Environmentally Sustainable Tourism Project. The projects do not necessarily meet the criteria under the present conception. The projects still under design cannot be assessed.</p> <p>TDA does not consider the previous criteria adequate and during Tranche 1 it has been developing new criteria and guidelines.</p> <p>The report does not discuss the experience of these areas, their problems, lessons learned, how they fit with the current TDA Eco-lodge technical exercise, or how they could feed back the current comprehensive TDA initiatives of developing guidelines, rating and licensing systems.</p> <p>As there was only one report, there were no eco-lodges awarded under the criteria developed in Tranche 1, and no analysis of how the earlier projects fit in the new guidelines this is considered as partial achievement of requirements of means of verification.</p>	<p>Partially Achieved</p>

